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24 August 1963

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CENTRAL INTELLIGENCE BULLETIN



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*South Vietnam: [In contrast to the evident influence of Ngo Dinh Nhu in the government's present actions, the role of his brother, President Diem, remains obscure.]

[Various Vietnamese officials refer to Diem as being in the palace and in full authority, but he has made no public announcements since his proclamation of martial law on 20 August.]

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[] Nhu was the prime mover in the imposition of martial law and the crackdown on the Buddhists. Nhu is issuing statements in his capacity of leader of the Republican Youth Movement, and references to the Movement and its "beloved supreme leader" are prominent in army broadcasts. The broadcasts also reflect a philosophy of government long identified with Nhu.]

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[In commenting on this situation, Ambassador Lodge also observes that officers responsible for martial law in the Saigon area appear to take orders directly from the palace rather than through top commander General Don. The ambassador believes that, despite outward unity, the military cannot be considered a monolithic structure. He warns that, if the military should decide to depose the regime, serious fighting could erupt in Saigon between competing military elements.]

[A South Vietnamese National Assembly deputy has interpreted the resort to martial law as indicative of the regime's complete loss of popular support. Arrests by the government apparently are expanding beyond the Buddhists, with many students, professors and political oppositionists reportedly being apprehended.]

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Malaysia: (The leaders of the territories which are to form Malaysia have split over tactics to combat Indonesian pressures.)

(Prime Minister Lee of Singapore and the chief minister-designates of North Borneo and Sarawak believe that Malaya's Prime Minister Rahman, who has conducted the negotiations with the Indonesians, is following a course that verges on appeasement of Sukarno.)

(Lee is threatening to announce Singapore's independence from British control on 31 August, as the Malaysia plans originally envisaged. In a coordinated move, the North Borneo and Sarawak leaders may announce "internal self-government" of the kind that Singapore already has.)

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(The UK is attempting to head off this development, and British Colonial Secretary Sandys is en route to Malaya for talks.)

(London, meanwhile, has accepted U Thant's formula for resolving the dispute over the number of Indonesian, Philippine, and Malayan observers who are to accompany the UN survey teams in the Borneo territories. Under Thant's plan, eight observers from each country are now to accompany the UN mission, which consists of eight men, plus a chairman who is Thant's personal representative.)

(Thant has instructed the mission to proceed, hoping the operation will start today with all observers present.)

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Congo: (Despite some recent improvement in discipline and capability, the Congolese Army (ANC) is not yet a reliable instrument for maintaining order in the country.)

(US officials and the UN staff in Leopoldville believe that at least 3,000 highly mobile UN troops will be needed until mid-1964 to prevent serious disorders and to reassure local Europeans as well as the UN's 1,100 foreign civilian technicians. They disagree with the view of U Thant's military aide, Major General Rikhye, that a UN force is no longer vital.)

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(The first of some 180 Belgian officers who will train and staff the ANC have arrived in Leopoldville. However, their commander has stated that no Belgian training unit will move into the provinces until Brussels is certain that UN troops are to remain as a restraining influence. [redacted])

[redacted] leftist elements are stimulating sentiment among ANC troops against the reappearance of Belgian officers.)

(Barring obstacles of this kind, the multinational retraining program for the ANC should be fully under way by mid-1964, but it will take at least several years to create a dependable security force.) [redacted]

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*Norway: The resignation of Prime Minister Gerhardson's Labor government, following its 23 August defeat on a no-confidence motion, will pave the way for the formation of Norway's first non-Socialist government in 28 years.

The next government will probably be a four-party coalition headed by John Lyng, a prominent Conservative party leader.

Like Labor, the coalition parties are strong supporters of Norway's membership in the Western alliance and are expected to make few changes in basic foreign and defense policies. The main conflicts between Labor and the new government will probably arise over domestic economic policies.

Prospects for a new government are uncertain in view of the even balance in the 150-member parliament, in which the coalition parties and Labor control 74 seats each. The balance of power is held by the two deputies of the extreme leftist Socialist People's Party (SPP), which advocates neutrality and withdrawal from NATO. While it cannot decisively influence foreign and defense policies, the SPP could generate instability.

Parliamentary elections are not due for another two years, and the Norwegian constitution does not provide for dissolution preparatory to new elections. The result may be a stalemate in which neither the government nor Labor can muster the necessary strength to conduct a strong program.

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NOTES

India: There are indications that Nehru is contemplating fairly sweeping personnel shifts in conjunction with plans to "rejuvenate" the Congress Party's organization. During the past two weeks, all cabinet ministers and all ministers in the Indian states--except Kashmir--have offered their resignations as an expression of willingness to undertake party work. One proposal calls for the move of three leading cabinet ministers to top party positions.

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Bolivia: The new cabinet which was announced by President Victor Paz Estenssoro on 22 August is composed almost entirely of his long-time supporters and new followers. The US Embassy reports that extreme-leftist influence in the cabinet has been cut, and that Paz now can count on receiving increased assistance in his controversial effort to reform the tin-mining industry.

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Ecuador-Peru: Increasing tension over the perennial Ecuador-Peru boundary issue may lead to a major confrontation. The Peruvian Navy minister told the press on 17 August that the armed forces may be mobilized "to bring to bear maximum power." Ecuador moved on 22 August to bring units on the Peruvian border to full strength.

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Iraq-Kuwait: (Iraq appears to be abandoning the claim to sovereignty over Kuwait that it advanced under the Qasim regime. Baghdad has agreed to recognize Kuwait's independence in exchange for a Kuwaiti gift of \$5.6 million, a sizable loan which is to be negotiated shortly, and a pledge that at "a suitable time" Kuwait will abrogate its defense treaty with the UK. Kuwait's ruler is said to view the "suitable time" as anywhere from three to twenty years away, however, and there will probably be further Iraqi pressure on Kuwait to break the British connection.)

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